

Message from the Secretary of HHS

1997 - 2007
CFO
5 Year Plan



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

As the senior policy official charged with serving the health and human services needs of our Nation, I recognize the crucial role that financial management plays in the ability of HHS to carry out its mission. Good financial management ensures that Medicare insurance claims are paid on time for the appropriate amount, that custodial parents receive proper child support payments, that medical research grants are properly processed, and that fees charged to process new drug applications are accounted for properly and deposited with the US Treasury.

HHS spent over \$327 billion in FY 1996, approximately 20% of the Federal budget. We are committed to being accountable for those taxpayer funds. In order to provide the integrity and accountability for such a vast sum of money, a strong financial management infrastructure is needed. We define the financial management infrastructure as including a full set of accounting standards, reliable performance measurement practices, qualified staff, streamlined financial management reporting practices, integrated financial management information systems with strong internal controls, effective audit resolution practices, responsible asset management, audited financial statements, and responsible administration of Federal assistance programs.

In this report, I am happy to present the status of our financial management infrastructure as well as our future plans for continued improvements. We have made significant progress in the financial management arena since the passage of the Chief Financial Officer (CFO) Act of 1990, but we have major challenges ahead as we increase the scope of our audit coverage, improve our debt collection practices, make greater use of advancing technologies, and institute improved performance measurement in an environment of shrinking resources. This plan portrays our financial management priorities, and our concerted commitment to strengthening our financial management infrastructure, with the ultimate goal of providing more accountability for the dollars entrusted to us while simultaneously achieving our mission of improving America's health and well-being.

Donna E. Shalala

